

**Calendar No. 244**

107TH CONGRESS }  
*1st Session*

SENATE

{ REPORT  
107-101

**DISTRICT OF COLUMBIA COLLEGE ACCESS  
IMPROVEMENT ACT OF 2001**

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**R E P O R T**

OF THE

**COMMITTEE ON GOVERNMENTAL AFFAIRS  
UNITED STATES SENATE**

TO ACCOMPANY

**H.R. 1499**

TO AMEND THE DISTRICT OF COLUMBIA COLLEGE ACCESS ACT OF 1999 TO PERMIT INDIVIDUALS WHO GRADUATED FROM A SECONDARY SCHOOL PRIOR TO 1998 AND INDIVIDUALS WHO ENROLL IN AN INSTITUTION OF HIGHER EDUCATION MORE THAN 3 YEARS AFTER GRADUATING FROM A SECONDARY SCHOOL TO PARTICIPATE IN THE TUITION ASSISTANCE PROGRAMS UNDER SUCH ACT, AND FOR OTHER PURPOSES



NOVEMBER 29, 2001.—Ordered to be printed

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### DISTRICT OF COLUMBIA COLLEGE ACCESS IMPROVEMENT ACT OF 2001

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Mr. LIEBERMAN, from the Committee on Governmental Affairs,  
submitted the following

### R E P O R T

[To accompany H.R. 1499]

The Committee on Governmental Affairs, to which was referred the bill (H.R. 1499) to amend the District of Columbia College Access Act of 1999 to permit individuals who enroll in an institution of higher education more than three years after graduating from a secondary school and individuals who attend private Historically Black Colleges and Universities nationwide to participate in the tuition assistance programs under this Act, and for other purposes, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill as amended do pass.

#### I. PURPOSE AND SUMMARY

The District of Columbia College Access Improvement Act (the “College Access Improvement Act”), as reported by the Senate Committee on Governmental Affairs, amends Public Law 106–98, the District of Columbia College Access Act of 1999 (the “College Access Act”), by: (1) eliminating the requirement that residents of the District of Columbia must continue on to college within three years of high school graduation in order to be eligible for tuition assistance through the College Access Act; (2) expanding the list of eligible institutions to include private Historically Black Colleges and Universities nationwide; (3) expanding the pool of eligible students to include all District of Columbia residents who have resided in the District of Columbia for at least five consecutive years prior to applying for the grant and who are enrolled at an eligible institution as of the date of enactment of this Act; (4) requiring that a dedicated account be established for the resident tuition support program; and (5) clarifying language in the College Access Act re-

garding the use of administrative funds for the District of Columbia Tuition Assistance Program.

## II. BACKGROUND

The College Access Act established a tuition assistance program, administered by the Mayor of the District of Columbia, to give District of Columbia residents who are recent high school graduates the ability to pay in-state tuition rates upon admission to public colleges and universities nationwide. Public university grants may not exceed \$10,000 in any award year, with a total cap of \$50,000 per individual. The total individual cap of \$50,000 allows students to receive the maximum \$10,000 scholarship amount for up to five years. Annual funding of \$12 million has been authorized to fund the public school portion of the Act.

The College Access Act also provides tuition assistance grants for students attending private colleges in the District of Columbia or the adjoining counties in Maryland and Virginia, and private HBCUs in Maryland and Virginia. Tuition assistance grants for private colleges may not exceed \$2,500 in any award year, with a total cap of \$12,500 per individual. Annual funding of \$5 million is authorized to fund the private school portion of the Act.

In order to qualify for the grants under the College Access Act, District residents must have graduated high school in or after 1998, they must start college or university within three years of graduating high school, and they must prove domicile in the District of Columbia for one year prior to their freshman year.

The District of Columbia Tuition Assistance Program (the "Program") was created by Mayor Williams in April 2000 to administer the tuition assistance provided under the College Access Act. Despite strong efforts to promote the Program among District of Columbia students, the Program does not now have sufficient participation levels to spend all, or even nearly all, of the funds appropriated for its use. In September 2001, as mandated by section 6(c) of P.L. 106-98, a Department of Education Inspector General audit report indicated that for the period January 1, 2001 through June 30, 2001, the District's Finance Office still had about \$23.7 million remaining in Program funds after disbursements. (Department of Education Inspector General Audit Report number ED-OIG/A03-B0003). The Committee did not expect the Program in its infancy to use its full annual appropriation of \$17 million; nevertheless, the considerable surplus led Congress to consider expanding the categories of eligible institutions and eligible students.

During consideration of the original Act, a consortium of 17 private-sector companies and foundations (including Mobil Corporation, America Online, Fannie Mae, Sallie Mae, US Airways, Lockheed Martin Corporation, Bell Atlantic, the Morris and Gwendolyn Cafritz Foundation, the J. Willard and Alice S. Marriott Foundation, and the Washington Post) raised \$20 million to start the District of Columbia College Access Program (DC CAP), a non-profit organization dedicated to encouraging District public high school students to enter and graduate from college. The intent of the organization was to provide private-sector support that could complement the Program.

Since that time, DC CAP has partnered with the District of Columbia public school system to place college advisors in each public

high school. These advisors work with students in 9th through 12th grades to motivate them to apply to and remain in college. In addition, DC CAP helps students through the application processes for college admission and financial assistance (including DC Tuition Assistance Grants), conducts educational planning workshops and seminars for parents, provides DC high school graduates help for up to 5 years after graduation to ensure completion of college, and provides information resources through College Information Resource Centers in each District of Columbia high school.

With the help of the Program and DC CAP, more District of Columbia high school students are applying to and attending college. The Committee believes that this public-private partnership, as well as the quality of the District of Columbia Tuition Assistance Program office established by the Mayor, has been largely a success. H.R.1499 as amended by the Committee is intended to fine-tune the College Access Act and reasonably expand the program in a way that would be manageable for the city. For additional background on the creation of the College Access Act, refer to Senate Report 106–154.

### III. LEGISLATIVE HISTORY

Representative Constance Morella (R–MD), Chairman of the Committee on Government Reform Subcommittee on the District of Columbia and Delegate Eleanor Holmes Norton (D–DC), the Subcommittee's Ranking Member, along with Representative Tom Davis (R–VA), introduced H.R. 1499, the District of Columbia College Access Act Technical Corrections Act of 2001, on April 4, 2001. H.R. 1499 was approved by unanimous consent by the House Subcommittee on June 26, 2001, ordered to be reported by the full Committee on July 25, 2001, and passed in the House of Representatives on July 30, 2001, by voice vote. H.R. 1499 was received in the Senate on July 31, 2001 and was referred to the Committee on Governmental Affairs Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia on September 10, 2001.

As passed by the House, H.R. 1499 would eliminate the January 1, 1998 high school graduation cut-off date for Program eligibility, and it would eliminate the requirement that District of Columbia residents must start college within three years of high school graduation in order to be eligible for the tuition assistance. H.R. 1499 also included a section to prohibit the participation of foreign nationals in the Program.

At a Senate Committee on Governmental Affairs business meeting on November 14, 2001, Senator Voinovich (R–OH) offered, and the Committee adopted, an amendment in the nature of a substitute to H.R. 1499. On that same date, the Committee ordered the bill favorably reported, as amended, by voice vote, with no Members present dissenting. Present were Senators Akaka, Durbin, Cleland, Carper, Carnahan, Thompson, Voinovich, Cochran, Bunning and Lieberman.

### EXPLANATION OF THE BILL AS AMENDED

H.R. 1499, as amended, would eliminate one of the eligibility requirements for District residents: it would void the requirement

that they must continue on to college within three years of high school graduation in order to be eligible for the Program. In order to allow expansion of the Program to take place over time, the January 1, 1998 high school graduation cut-off date for eligibility in the College Access Act would be retained, except that all District residents who are enrolled at an eligible institution as of the date of enactment of H.R. 1499—including those who graduated high school prior to 1998—would be eligible for tuition assistance under the Program, so long as they meet the other applicable eligibility requirements. This language should not be read to have retroactive effect; students would not be reimbursed for prior semesters. This provision would simply enable those who are currently enrolled at an eligible institution to apply for tuition assistance for semesters beginning on or after the date of enactment of this Act, no matter when they graduated from high school.

Eliminating the requirement that students must continue on to college within three years of high school graduation called for a change in the residency criteria for eligibility. For otherwise eligible students going on to college within three years of graduating high school, the College Access Improvement Act would retain the current requirement under H.R. 1499, as amended, that applicants prove domicile in the District for one year prior to their freshman year. Students who waited more than three years to attend college would be required to prove that they were domiciled in the District for five years prior to the date of application for tuition assistance from the Program.

The College Access Improvement Act would also expand the list of eligible institutions to include private Historically Black Colleges and Universities nationwide. During the 1999 debates on the College Access Act, the Senate amended the Act to include private HBCUs, but only those in the States of Maryland and Virginia. A significant number of District residents who were originally accepted into the Program were later found ineligible because they chose to attend private HBCUs outside of Maryland and Virginia. The average tuition at private HBCUs is considerably less than the average tuition at other private colleges and universities, and therefore the \$2500 stipend would make more of an impact at HBCUs than many other private universities. This fact, coupled with the significant number of District of Columbia students who chose private HBCUs, would make expansion of the Program to include private HBCUs reasonable and appropriate.

The College Access Improvement Act would make certain corrections to the College Access Act. The amended bill retains the language from the House-passed version to prevent foreign nationals from participating in the Program. The amended bill would also permit the Program to carry over and use excess administrative funds from previous years, even though the Committee encourages the Program to minimize the use of administrative funds so that any excess would be devoted to grants.

The College Access Improvement Act would also require the District government to establish a dedicated account for the Program. Any subsequent appropriations, any unobligated balances from prior fiscal years, and any interest earned from money allocated to the Program must be kept in that account. The Department of Education Inspector General reported that because the federal



funds allocated to the Program were kept in the District's general account, the District was retaining interest earned from the federal appropriation and using it for unrelated city services. The creation of this dedicated account requires the District to retain all monies earned by and allocated to the Program to be used for the Program. There was concern that the District could be found in violation of the Anti-Deficiency Act if it allocated more tuition assistance than was appropriated by Congress for a certain fiscal year. In order to address this potential issue, H.R. 1499, as amended, would permit any funds in this dedicated account to be used towards the tuition costs and related fees of eligible students.

Finally, H.R. 1499, as amended, would include a sense of the Congress that the District of Columbia may appropriate such local funds as necessary for the Program. Although this would not require any action by the District of Columbia, the Committee included this in the legislation in order to encourage the local government to provide additional funding to the Program, should it become necessary, rather than requesting additional funding from Congress. While the Program is currently fully funded through federal appropriations, the Committee strongly urges the District to begin contributing local funds. This federal-local partnership would strengthen the Program significantly.

#### IV. SECTION-BY-SECTION ANALYSIS

##### *Sec. 1. Short title*

This section would make the short title of H.R. 1499 the "District of Columbia College Access Improvement Act of 2001." The House-passed version of the bill was entitled the "District of Columbia College Access Act Technical Corrections Act of 2001." However, both versions of H.R. 1499—as amended by the Committee and as passed by the House—make a number of significant policy changes to the College Access Act. The Committee voted to reflect this in the bill's short title.

##### *Sec. 2. Public School Program*

This section would change the student eligibility requirements to reflect the new circumstances that could face Program applicants under the expansions provided for in this legislation. Section (A)(i) would retain the current Program requirement that applicants must be domiciled in the District for at least twelve months prior to the commencement of the freshman year at an institution of higher education, but only for those students who begin their undergraduate course of study within three years of graduation from a secondary school, or obtaining the recognized equivalent of a secondary school diploma. The three-year period would exclude any period of service on active duty in the armed forces, or service under the Peace Corps Act or subtitle D of Title I of the National And Community Service Act of 1999.

In order to account for the elimination of the requirement that District of Columbia residents must continue on to college within three years of high school graduation, section (A)(ii) would establish different eligibility requirements for applicants who are either re-enrolling after more than a three-year break in their college education or for students who are applying more than three years after

high school graduation. These applicants would have to prove domicile in the District for at least five consecutive years at the date of application.

Section (B)(i) would retain the current requirement that applicants must have graduated from high school on or after January 1, 1998 to qualify for the Program, with two exceptions, as set forth in Sections (B)(ii) and (B)(iii).

Section (B)(ii) is intended to address the handful of students who, for a variety of reasons, may not have received a high school degree or an equivalent, but have been accepted for enrollment at an eligible institution. Such students include those who were home schooled or who went on to college before finishing their senior year of high school. Only applicants who are accepted as freshmen at eligible institutions on or after January 1, 2002, are eligible under this section.

Section (B)(iii) would expand the Program to include all students enrolled at eligible institutions as of the date of enactment of H.R. 1499. Under this subsection, students who graduated prior to 1998 would be eligible for grants under the Program if they attend eligible institutions and can prove domicile in the District of Columbia for five years prior to application.

Section (C) would prohibit the participation of foreign nationals in the Program.

All of the changes to student eligibility made in this section would cover students applying to eligible private colleges and universities, as well as students applying to eligible public colleges and universities.

### *Sec. 3. Private School Program*

This section would expand the list of eligible private schools to include private HBCUs nationwide. The Program currently includes only those private HBCUs in the States of Virginia and Maryland.

### *Sec. 4. General requirements*

This section would clarify the amount of the federal funds appropriated to the Program that the Mayor is permitted to use for administrative purposes. It provides that the Mayor may not use for administrative purposes more than seven percent of the *total* sums appropriated. This section would make clear that the Program, if necessary, can carry over excess administrative funds from previous years. The term “administrative funds” is defined to mean “any expenses that are not directly used to pay the cost of tuition and fees for eligible students to attend eligible institutions.”

This section also includes a sense of the Congress that the District may appropriate such local funds as necessary for the Program.

Finally, this section would require the District to establish a “Dedicated Account for the Resident Tuition Support Program,” which would consist of the federal funds appropriated to the Program, any unobligated balances from prior fiscal years, and any interest earned in this or any fiscal years. This requirement would end the District’s current practice of keeping the Program funds in an unrestricted general account, which prevents any interest ac-

crued by the Program funds from being tracked and retained for the benefit of the Program.

The amended bill, as reported by the Committee, would also make the long title of the bill, "To amend the District of Columbia College Access Act of 1999 to permit individuals who enroll in a institution of higher education more than three years after graduating secondary school and individuals who attend private historically black colleges and universities nationwide to participate in the tuition assistance program under such Act, and for other purposes." The Committee believes that this reflects the policy changes in H.R. 1499, as amended.

#### V. COST ESTIMATE OF THE CONGRESSIONAL BUDGET OFFICE

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, November 20, 2001.*

Hon. JOSEPH I. LIEBERMAN,  
*Chairman, Committee on Governmental Affairs,*  
*U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1499, the District of Columbia College Access Improvement Act of 2001.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Paul Cullinan.

Sincerely,

STEVEN LIEBERMAN  
(For Dan L. Crippen, Director).

Enclosure.

#### *H.R. 1499—District of Columbia College Access Improvement Act of 2001*

Summary: H.R. 1499 would modify the District of Columbia resident tuition support program that was established in 1999. The act would expand eligibility for tuition support to include District of Columbia residents who graduated from high school or received the equivalent of a high school degree before 1998 if they currently are enrolled in a postsecondary institution and individuals without a high school diploma or its equivalent who first are accepted as a freshman at an eligible institution on or after January 1, 2002. H.R. 1499 also would allow other individuals to participate in the program after five consecutive years of residing in the District of Columbia. It also would expand the definition of eligible institution in the private school program to include all historically black colleges and universities (HBCUs). Finally, the act also would extend to the tuition support program the same citizenship and immigration status requirements that apply to other federal student assistance programs.

Assuming appropriation of the necessary amounts, CBO estimates that H.R. 1499 would result in additional discretionary spending of \$10 million in 2002 and \$35 million over the 2002–2005 period. H.R. 1499 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 1499 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated federal budgetary impact of H.R. 1499 is presented in the following table. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

#### ESTIMATED BUDGETARY EFFECTS OF H.R. 1499

	By fiscal year, in millions of dollars—					
	2001	2002	2003	2004	2005	2006
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
Spending Under Current Law:						
Estimated Authorization Level <sup>1</sup> .....	17	21	34	43	48	0
Estimated Outlays .....	17	21	34	43	48	0
Proposed Changes:						
Eliminate post-1997 graduation date requirement for current enrollees:						
Estimated Authorization Level .....	0	8	7	2	3	0
Estimated Outlays .....	0	8	7	2	3	0
Modify requirements for students who begin or return to postsecondary education more than three years after graduation:						
Estimated Authorization Level .....	0	1	2	3	4	0
Estimated Outlays .....	0	1	2	3	4	0
Prohibit foreign nationals from participation:						
Estimated Authorization Level .....	0	(?)	(?)	(?)	(?)	0
Estimated Outlays .....	0	(?)	(?)	(?)	(?)	0
Expand eligibility of private school program:						
Estimated Authorization Level .....	0	1	1	1	1	0
Estimated Outlays .....	0	1	1	1	1	0
Total changes:						
Estimated Authorization Level .....	0	10	10	7	8	0
Estimated Outlays .....	0	10	10	7	8	0
Spending Under H.R. 1499:						
Estimated Authorization Level <sup>1</sup> .....	17	31	44	50	56	0
Estimated Outlays .....	17	31	44	50	56	0

<sup>1</sup> The 2001 level is the amount appropriated for that year for the current tuition support program.

<sup>2</sup> = Less than \$500,000.

Components may not sum to totals because of rounding.

The tuition support program operates as a payment to the District of Columbia and is not currently subject to the Federal Cash Management Improvement Act of 1990. The District of Columbia has drawn down the entire appropriation each year, and has actual program spending to date of about one-third of the total funds appropriated.

Basis of estimate: For this estimate, CBO assumes that H.R. 1499 will be enacted in December 2001, and that the necessary amounts will be appropriated for each year.

#### *Current law*

Under current law, the District of Columbia resident tuition support program, administered by the Mayor, provides financial assistance to District of Columbia (D.C.) residents who choose to attend public colleges outside of D.C., private postsecondary institutions in D.C. or in one of the surrounding jurisdictions in Maryland or Virginia, or historically black colleges or universities with their main campus in Maryland or Virginia.

The private-school tuition grants are restricted to nonprofit institutions. The program received annual appropriations for fiscal years 2000 and 2001 of \$17 million, and is authorized through 2005 at such sums as may be necessary. About \$9 million in grants were

awarded in academic year 2000–2001 with an average of 1,775 grantees in the fall and spring semesters, about one-quarter of whom were enrolled in private institutions.

Eligibility for the tuition support is limited to individuals who graduate from high school or receive an equivalent of a secondary school diploma after January 1, 1998, reside in D.C. for at least 12 consecutive months prior to beginning the freshman year in an eligible institution, and begin their postsecondary school course-of-study within three years of their high school graduation. For those who wish to attend state-supported public institutions outside of the district, the program provides scholarships equal to the difference between the tuition paid by residents of the state in which the institution is located and the tuition charged to nonresident students, but not to exceed \$10,000 annually with a lifetime limit of \$50,000. In addition, it provides a \$2,500 maximum annual scholarship for those who choose to attend a private institution in D.C. or in one of the surrounding jurisdictions in Maryland or Virginia. Private HBCUs with their main campus in Maryland or Virginia are included in the latter classification. The assistance under each portion of the program is prorated if the student is enrolled in a less than full-time program. Administrative expenses of operating the program are limited to equal no more than 7 percent of the total tuition grants.

CBO estimates by academic year 2005–2006, about 7,800 students would receive tuition assistance—5,000 students attending public institutions and 2,800 students enrolling at private institutions—at a cost (including administrative expenses) of \$48 million.

#### *Proposed changes*

H.R. 1499 would expand eligibility for tuition support to include individuals who graduated from secondary schools before 1998 if they are currently enrolled in school. It also would allow those who first begin their postsecondary education more than three years after graduation or who reenroll in school after a three-year break in education if they resided in the District of Columbia continuously during the previous five years. CBO estimates that the costs of the provisions are \$8 million and \$1 million in 2002, respectively; the 2002–2005 respective costs are \$20 million and \$10 million. The expansion of private school eligibility would cost an estimated \$1 million in 2002 and \$5 million over the 2002–2005 period. The prohibition on the participation of foreign nationals is estimated to have a negligible budgetary impact.

**Eligibility Requirements for Students.** To determine the additional number of D.C. residents eligible for the grants, CBO used the 1998–1999 Integrated Postsecondary Education Data Analysis System (IPEDS) and the 1996–1997 National Postsecondary Student Aid Survey. Those data show the respective distributions of first-year D.C. residents enrolled in postsecondary education by institution type and location and all enrollees by state of residence. To predict enrollment for 2002 and beyond, CBO relied on the growth rates for the national enrollment projections from the National Center for Education Statistics.

CBO assumed that the changes in the graduation date, residency, and reenrollment requirements would accelerate the rate at which the program would phase in. These changes would increase

the costs of the program by \$9 million in 2002 and \$30 million over the 2002–2005 period.

Under current law, CBO assumes that 50 percent of the ultimate number of participants would receive benefits in 2002, rising to 95 percent by 2005. The elimination of the January 1998 graduation date requirement would increase the rate at which the program would phase in. Under H.R. 1499, we expect that about 70 percent would participate in 2002 and 100 percent beginning in 2005. The provision would add about 1,500 participants in 2002 and about 400 recipients in 2005, and would cost about \$8 million in 2002 and \$20 million over the 2002–2005 period.

H.R. 1499 also would modify the requirement that D.C. residents first enroll in a postsecondary degree program within three years of completing secondary school or its equivalent. It would provide an alternative standard for other students, including those who return to complete their education, that would allow individuals who live in D.C. for five consecutive years to receive tuition support. CBO assumes that these changes would affect about 10 percent of postsecondary students. Assuming their enrollment by institution type and location mirrors other first-year students from D.C., their tuition grants would be similar to those students currently eligible for assistance—in 2002, about \$6,700 for public institutions and \$2,120 for private schools. These newly eligible students are assumed to enter the program gradually over time, with an additional 180 participants in 2002 and 730 in 2005. The resulting additional costs amount to \$1 million in 2002 and \$10 million over the 2002–2005 period.

To determine the average tuition grant for public institutions, CBO used 1998–1999 IPEDS data to determine the average in-state and out-of-state tuition rates by school type. CBO inflated these rates by the College Board’s average estimate of tuition increases to arrive at the tuition costs for 2002 and beyond. Private school scholarships are based on the IPEDS data weighted for full-time and part-time status. The estimated average grant for public school enrollees grows from \$6,700 to \$7,720 from 2002 to 2005. The estimate for private tuition assistance remains at \$2,120 throughout the period.

**Prohibit Participation by foreign Nationals.** H.R. 1499 would require participants in the D.C. resident tuition support program to meet the citizenship and immigrant status requirements of section 484(a)(5) of the Higher Education Act of 1965. Based on discussions with the D.C. staff running the program, CBO estimates that this prohibition would only affect a small number of D.C. residents and the savings from the provision would be less than \$500,000 annually.

**Expanded Definition of Private Institutions.** H.R. 1499 would amend the definition of eligible institution for the private school portion of the D.C. tuition support program to include all private HBCUs across the country. Under current law, only those private HBCUs whose main campus is located in Maryland or Virginia are eligible institutions. CBO estimates the expansion under H.R. 1499 would cost \$1 million in 2002 and \$5 million over the 2002–2005 period.

Based on data from the United Negro College Fund (UNCF) Statistical Report 2000, about 525 D.C. residents are currently en-

rolled at private HBCUs outside of Maryland and Virginia, which were members of the UNCF. CBO's tabulations of the IPED data indicated that perhaps an additional five D.C. students were enrolled at nonmember private HBCUs. The UNCF data also indicated that 92 percent of students at its member schools were enrolled full time. CBO assumes that the full-time/part-time enrollment distribution of those students would be similar for D.C. students. Under the proration rules of the program, we estimate the average grant would be about \$2,400. With projected enrollment growth, CBO estimates that costs (including administrative costs) would average about \$1.4 million during the 2003–2005 period, with slightly lower costs in 2002.

**Intergovernmental and private-sector impact:** H.R. 1499 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

**Previous CBO estimate:** On August 3, 2001, CBO provided an estimate of H.R. 1499 as passed by the House of Representatives. CBO estimated that version of the legislation would cost \$9 million in 2002 and \$30 million over the 2002–2005 period, assuming the appropriation of the necessary amounts. That version of H.R. 1499 would have eliminated the January 1, 1998, graduation date and the three-year enrollment requirement completely. In contrast, the version of H.R. 1499 approved by the Senate Committee on Governmental Affairs would eliminate the graduation date requirement for current enrollees of postsecondary institutions, but require other individuals to be domiciled in Washington, D.C., for five consecutive years before being eligible for tuition support.

Both versions would impose certain new citizenship or immigration status requirements, which would have essentially the same effects on program costs. The House version of H.R. 1499 does not include the expanded definition of private institution to allow all HBCUs to participate in the program.

Estimate prepared by: Federal Costs: Paul Cullinan. Impact on State, Local, and Tribal Governments: Elyse Goldman. Impact on the Private Sector: Nabeel Alsalam.

Estimate approved by: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

## VI. EVALUATION OF REGULATORY IMPACT

Paragraph 11(b)(1) of rule XXVI of the Standing Rules of the Senate requires that each report accompanying a bill evaluate the “regulatory impact which would be incurred in carrying out this bill.” Carrying out H.R. 1499 would have no regulatory impact.

## VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by this bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in *italic* and existing law, in which no change is proposed, is shown in *roman*):

### **DISTRICT OF COLUMBIA COLLEGE ACCESS ACT OF 1999**

\* \* \* \* \*

**SEC. 3. PUBLIC SCHOOL PROGRAM.**

(a) \* \* \*

(b) \* \* \*

(c) DEFINITIONS.—

(1) \* \* \*

(2) ELIGIBLE STUDENT.—The term “eligible student” means an individual who—

[(A) was domiciled in the District of Columbia for not less than the 12 consecutive months preceding the commencement of the freshman year at an institution of higher education;

[(B) graduated from a secondary school or received the recognized equivalent of a secondary school diploma on or after January 1, 1998;

[(C) begins the individual’s undergraduate course of study within three calendar years (excluding an period of service on active duty in the Armed Forces, or service under the Peace Corps Act (22 U.S.C. 2501 et seq.) or subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.)) of graduation from a secondary school, obtaining the recognized equivalent of a secondary school diploma;]

(A)(i) *for individuals who begin an undergraduate course of study within three calendar years (excluding a period of service on active duty in the Armed Forces, or service under the Peace Corps Act (22 U.S.C. 2501 et seq.) or subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12571 et seq.)) of graduation from a secondary school, or obtaining the recognized equivalent of a secondary school diploma, was domiciled in the District for not less than 12 consecutive months preceding the commencement of the freshman year at an institution of higher education; or*

*(ii) for all other individuals and for those re-enrolling after more than a 3-year break in their post-secondary education, has been domiciled in the District of Columbia for at least 5 consecutive years at the date of application;*

*(B)(i) graduated from a secondary school or received the recognized equivalent of a secondary school diploma on or after January 1, 1998; or*

*(ii) for applicants that did not graduate from a secondary school or receive a recognized equivalent of a secondary school diploma, is accepted for enrollment as a freshman at an eligible institution on or after January 1, 2002; or*

*(iii) for applicants who graduated from a secondary school or received the equivalent of a secondary school diploma before January 1, 1998, is currently enrolled at an eligible institution as of the date of enactment of the District of Columbia College Access Improvement Act of 2001;*

*(C) meets the citizenship and immigration status requirements described in section 484(a)(5) of the Higher Education Act of 1965 (20 U.S.C. 1091(a)(5));*

(D) \* \* \*

(E) \* \* \*



(F) \* \* \*

\* \* \* \* \*

**SEC. 5. PRIVATE SCHOOL PROGRAM.**

(a) \* \* \*

(b) \* \* \*

(c) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION.—The term “eligible institution” means an institution that—

(A) \* \* \*

(B) is a private historically black college or university (for purposes of this subparagraph such term shall have the meaning given the term “part B institution” in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)) [the main campus of which is located in the State of Maryland or Virginia].

(2) \* \* \*

(3) \* \* \*

(4) \* \* \*

\* \* \* \* \*

**SEC. 6. GENERAL REQUIREMENTS.**

(a) \* \* \*

[(b) ADMINISTRATIVE EXPENSES.—The Mayor of the District of Columbia may not use more than 7 percent of the funds made available for a program under section 3 or 5 for a fiscal year to pay the administrative expenses of a program under section 3 or 5 for the fiscal year.]

(b) ADMINISTRATIVE EXPENSES.—

(1) *The Mayor of the District of Columbia may not use more than 7 percent of the total amount of Federal funds appropriated for the program, retroactive to the date of enactment of this Act (the District of Columbia College Access Act of 1999), for the administrative expenses of the program.*

(2) DEFINITION.—In this subsection, the term “administrative expenses” means any expenses that are not directly used to pay the cost of tuition and fees for eligible students to attend eligible institutions.

(c) \* \* \*

(d) \* \* \*

(e) *It is the sense of Congress that the District of Columbia may appropriate such local funds as necessary for the Program.*

[(e)] (f) FUNDING RULE.—Notwithstanding sections 3 and 5, the Mayor may use funds made available—

(1) under section 3 to award grants under section 5 if the amount of funds available under section 3 exceeds the amount of funds awarded under section 3 during a time period determined by the Mayor; and

(2) under section 3 to award grants under section 5 if the amount of funds available under section 3 exceeds the amount of funds awarded under section 3 during a time period determined by the Mayor.

[(f)] (g) MAXIMUM STUDENT AMOUNT ADJUSTMENTS.—The Mayor shall establish rules to adjust the maximum student amounts described in sections 3(a)(2)(B) and 5(a)(2)(B) for eligible students de-

scribed in section 3(c)(2) or 5(c)(2) who transfer between the eligible institutions described in section 3(c)(1) or 5(c)(1).

*(h) DEDICATED ACCOUNT FOR THE RESIDENT TUITION SUPPORT PROGRAM.—The District of Columbia government shall establish a dedicated account for the Resident Tuition Support Program that shall consist of the Federal funds appropriated to the Program in this Act and any subsequent appropriations, any unobligated balances from prior fiscal years, and any interest earned in this or any fiscal years. The funds in this dedicated account may be used to help pay the cost of tuition and fees for eligible students to attend eligible institutions if the fiscal year appropriation for that year is insufficient to cover the cost of tuition for that year.*

